

EOG Resources, Inc.
P.O. 1910
Vernal, UT 84078

May 24, 2005

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL
CHAPITA WELLS UNIT 669-1
NE/NW (Lot 3), SEC. 1, T9S, R22E
UINTAH COUNTY, UTAH
LEASE NO.: U-01201
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

Sincerely,


Ed Trotter
Agent
EOG Resources, Inc.

Attachments

RECEIVED

MAY 27 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

001 APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator
EOG RESOURCES, INC.

3a. Address **P.O. BOX 1815
VERNAL, UT 84078**

3b. Phone No. (Include area code)
(435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface **717' FNL, 2180' FWL 637343X 40.070118 NE/NW (Lot 3)**
At proposed prod. Zone **4436572Y 109.389444**

14. Distance in miles and direction from nearest town or post office*
18.2 MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed*
location to nearest
property or lease line, ft. **717'**
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease
309

17. Spacing Unit dedicated to this well

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth
7700'

20. BLM/BIA Bond No. on file
NM-2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4814.6 FEET GRADED GROUND

22. Approximate date work will start*
UPON APPROVAL

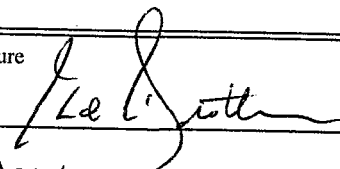
23. Esti mated duration
45 DAYS

24. Attachments

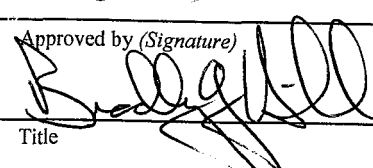
Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature  Name (Printed/Typed) **Ed Trotter** Date **May 24, 2005**

Title **Agent**

Approved by (Signature)  Name (Printed/Typed) Date **06-09-05**

Title Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

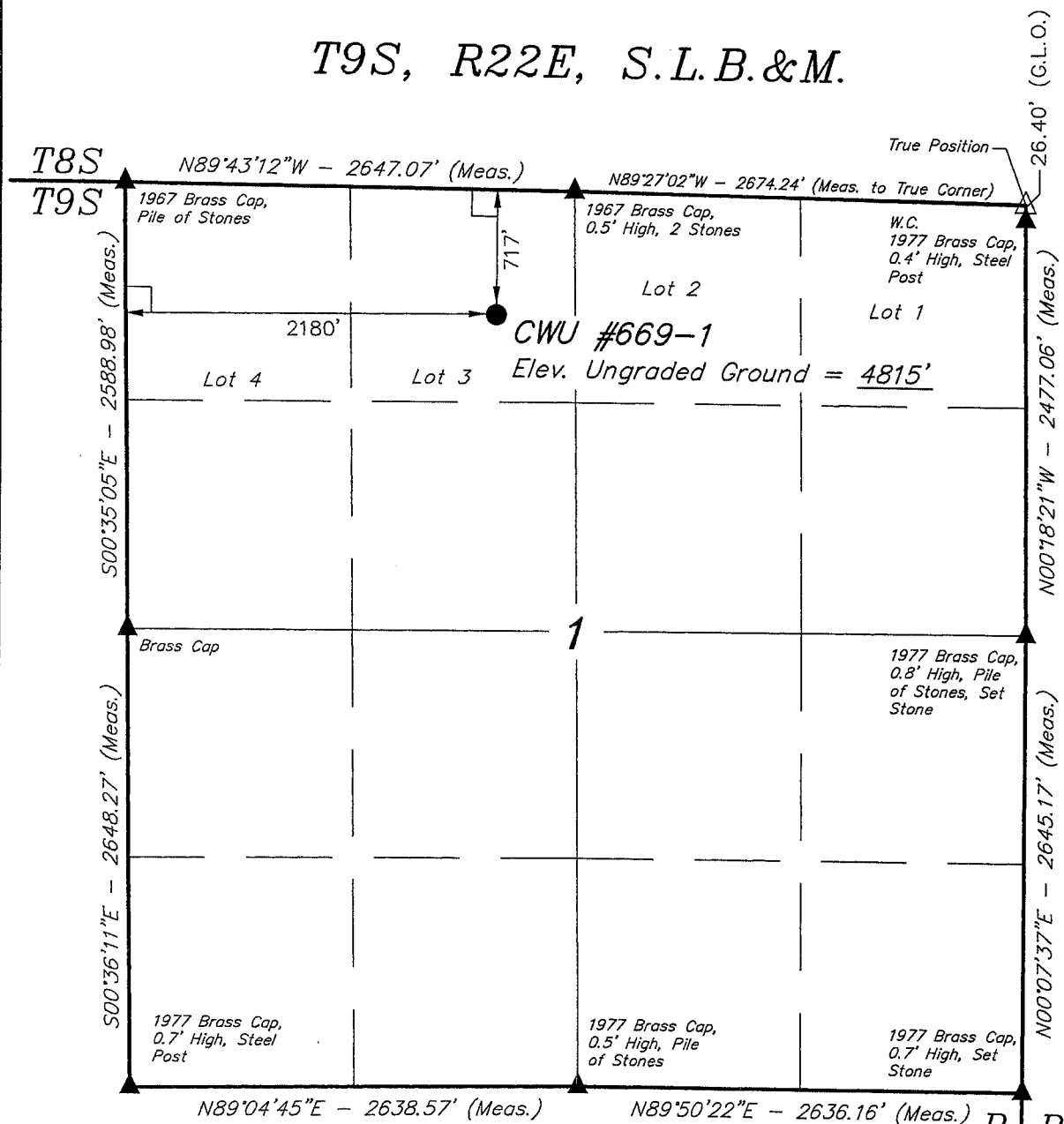
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*(Instructions on page 2)

MAY 27 2005

DIV. OF OIL, GAS & MINING

T9S, R22E, S.L.B.&M.



LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 40°04'12.44" (40.070122)
LONGITUDE = 109°23'24.40" (109.390111)

(NAD 27)
LATITUDE = 40°04'12.57" (40.070158)
LONGITUDE = 109°23'21.94" (109.389428)

EOG RESOURCES, INC.

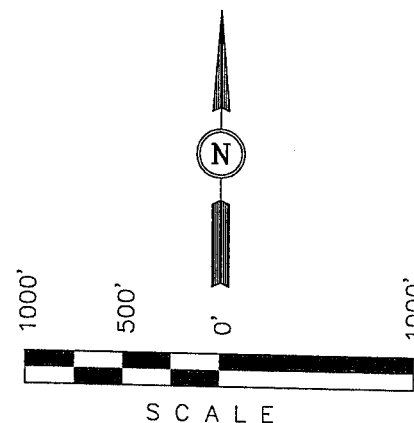
Well location, CWU #669-1, located as shown in the NE 1/4 NW 1/4 (LOT 3) of Section 1, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert H. Key
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 04-04-05	DATE DRAWN: 04-20-05
PARTY G.S. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 669-1
NE/NW, SEC. 1, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River	2,028'
C-Zone	2,338'
Mahogany Oil Shale Bed	2,688'
Middle Carb Bed	3,513'
Castle Peak MBR	4,613'
Uteland Butte MBR	4,843'
Wasatch	5,032'
Chapita Wells	5,657'
Buck Canyon	6,326'
North Horn	6,884'
Island	7,339'
KMV Price River	7,517'

EST. TD: **7,700'**

Anticipated BHP 3300 PSI

3. PRESSURE CONTROL EQUIPMENT: 3,000 PSI - BOP Schematic Diagram attached.

4. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
12 1/4"	0' - 500' +/-KB	500' +/-	9 5/8"	36.0#	J-55	STC	2020 PSI	3520 PSI	394,000#
7 7/8"	500' - TD +/-KB	7,700' +/-	4 1/2"	11.6 #	J-55	LTC	4960 PSI	5350 PSI	162,000#

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0-500' Below GL):

Guide Shoe

Insert Baffle

Wooden wiper plug

Centralizers: 1 - 5-10' above shoe, every collar for next 3 joints (4 total).

Production Hole Procedure (500'-TD):

Texas-Pattern shoe, short casing shoe joint ($\pm 20'$), Float Collar, and balance of casing to surface. Run short casing joint ($< 38'$) at $\pm 4,000'$ (**1,000' above projected top of Wasatch**). Centralize 5' above shoe on joint #1, top of joint #2, then every 4th joint to $\pm 4,600'$ (**400' above Wasatch top - 15 total**). Thread lock shoe, top and bottom of FC, and top of 2nd joint.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 669-1 NE/NW, SEC. 1, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

6. MUD PROGRAM:

Surface Hole Procedure (0-500' below GL):

500' - 1,700': Water (circulate through reserve pit). Anco-Drill sweeps for hole cleaning, Paper sweeps to seal off loss zones. Add LIME to reserve pit to keep clear.

Production Hole Procedure (500'-TD):

1,700' - 4,900': Continue as above as far as possible. Should it become necessary to trip for a bit prior to reaching TD, either slug drill pipe and fill hole with brine or with 9.2 ppg mud (pre-mixed in rig mud tanks) to control gas. Once back on bottom after trip, turn flow back and re-circulate through reserve pit to resume drilling ahead. Stay on as clear of fluid as long as possible. Try to control any fluid losses if drilling on clear fluid with paper LCM. Add LIME and Gyp if needed to control alkalinities.

4,900' - TD: Continue sweeping hole with Anco-Drill for hole cleaning. Again, should it become necessary to trip for a bit prior to reaching TD, either slug drill pipe and fill hole with brine or with 9.2 ppg mud (pre-mixed in rig mud tanks) to control gas. Once back on bottom after trip, turn flow back and re-circulate through reserve pit to resume drilling ahead. Stay on as clear of fluid as long as possible. Increase Anco-Drill sweep frequency as you near TD in preparation to logging and running casing. Be alert at all times while drilling the Wasatch on water for any signs of hole sloughing (i.e. tight connections, fill, etc.). Should sloughing be detected, immediately mud up the hole. If mud-up becomes necessary to log, run casing, for hole sloughing or to control water and gas flows, mix Gel, Anco-Drill and Aqua-Pac if chloride content of mud will allow or SALT GEL and STARCH if chloride content is high. When mudding up, add 6% LCM (mixture of Cedar Fiber, Paper, Cottonseed Hulls and Sawdust) to control losses.

7. VARIANCE REQUESTS:

- A. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).
- B. EOG Resources, Inc. requests a variance to regulations requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- C. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be 75' in length.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 669-1
NE/NW, SEC. 1, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

Logs: Cased Hole Logs TD to Surface Casing

9. CEMENT PROGRAM:

Surface Hole Procedure (0-500' Below GL)

Lead: 200 sks. (100% excess volume) Class 'G' cement with 2% S1 (CaCl₂) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.15. ft³/sk., 4.95 gps water.

Top Out: Top out with Class 'G' cement with 2% S1 (CaCl₂) in mix water, 15.8 ppg., 1.15. ft³/sk., 4.95 gps via 1" tubing set at 25' if needed.

Production Hole Procedure (500' to TD)

Lead: 100 sks: Class 'G' lead cement with 5% D44 (Salt), 12% D20 (Bentonite), 1% D79% (Extender), 0.25% D112 (Fluid Loss Additive), 0.2% D46 (Anti-Foamer) & 0.25 pps D29 (Cellophane flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 250 sks: 50:50 Poz G w/ 2% D20 (Bentonite), 10% D44 (Salt), mixed at 14.1 ppg, 1.35 cu. ft./sk., 5.0 gps water. 50:50 Poz G w/ 2% D20 (Bentonite), 10% D44 (Salt), mixed at 14.1 ppg, 1.35 ft³/sk., 5.0 gps water.

10. ABNORMAL CONDITIONS:

PRODUCTION HOLE (500'-TD)

Potential Problems: Lost circulation, asphaltic, black oil flows, large Trona water flows and gas flows may be encountered in the Green River, beginning at $\pm 1,900'$. Other wells in the general area of the **CWU 669-01** (all drilled with air/mist or aerated water) reported problems with sloughing formation in the Wasatch while attempting to mud up for logs or to run casing.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

EIGHT POINT PLAN

CHAPITA WELLS UNIT 669-1
NE/NW, SEC. 1, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

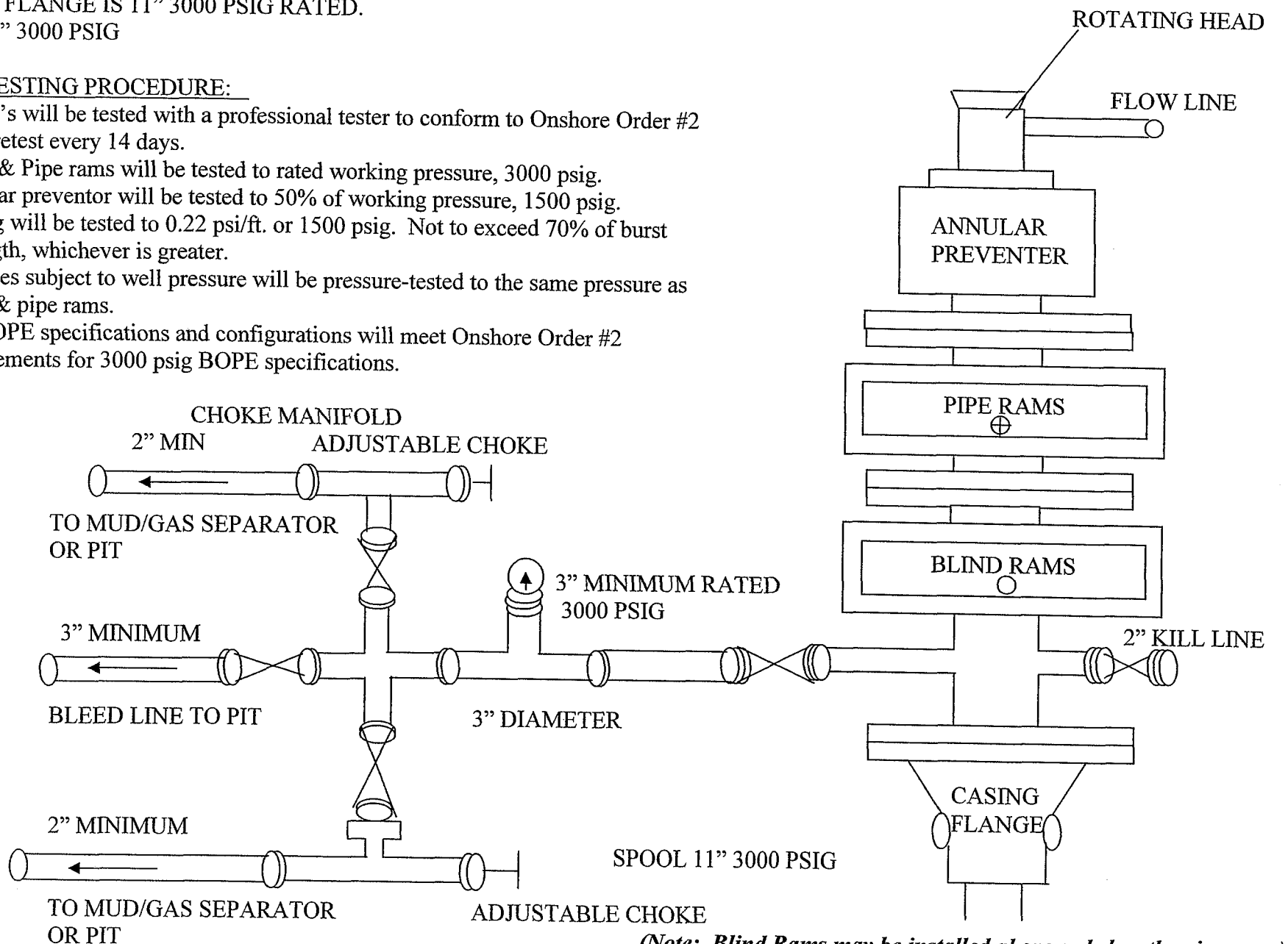
(Attachment: BOP Schematic Diagram)

3000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 3000 PSIG RATED.
CASING FLANGE IS 11" 3000 PSIG RATED.
BOPE 11" 3000 PSIG

TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 3000 psig.
3. Annular preventor will be tested to 50% of working pressure, 1500 psig.
4. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 3000 psig BOPE specifications.



(Note: Blind Rams may be installed above or below the pipe rams)

**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

Company/Operator: EOG Resources, Inc.
Well Name & Number: Chapita Wells Unit 669-1
Lease Number: U-01201
Location: 717' FNL & 2180' FWL, NE/NW (Lot 3), Sec. 1,
T9S, R22E, S.L.B.&M., Uintah County, Utah
Surface Ownership: Federal

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and
Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related
Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production
Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 18.2 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.2 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

A. Abandoned wells - 1*

B. Drilling wells - 18*

(*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. A 4" OD steel above ground natural gas pipeline will be laid approximately 1816' from proposed location to a point in the NW/NE of Section 1, T9S, R22E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands within the Chapita Wells Unit, thus a Right-of-Way grant will not be required.
3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the Northwest side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities

required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 millimeter plastic liner.

8. **ANCILLARY FACILITIES**

- A. No airstrips or camps are planned for this well.

9. **WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:
 - Gardner Salt Bush – 4 pounds per acre
 - Shad Scale – 3 pounds per acre
 - Hi-Crest Crested Wheat Grass – 2 pounds per acre

The reserve pit will be located on the Southwest side of the location. The flare pit will be located downwind of the prevailing wind direction on the West side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil West of Corners B and 5. The stockpiled location topsoil will be stored from Corner #2 to Corner #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the Southeast.

Corner #6 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

12. OTHER INFORMATION

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

None

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Telephone: (435)789-4120
Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

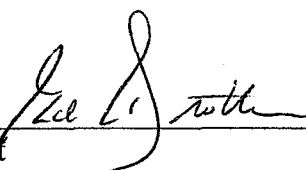
A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 669-1 Well, located in the NE/NW (Lot 3) of Section 1, T9S, R22E, Uintah County, Utah; Lease #U-01201;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

5-24-2005
Date


Agent

EOG RESOURCES, INC.

CWU #669-1

SECTION 1, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; PROCEED IN A SOUTHEASTERLY THEN NORTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.3 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY, THEN WESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #664-1 TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILE TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 49.2 MILES.

EOG RESOURCES, INC.

CWU #669-1

LOCATED IN UTAH COUNTY, UTAH
SECTION 1, T9S, R22E, S.L.B.&M.

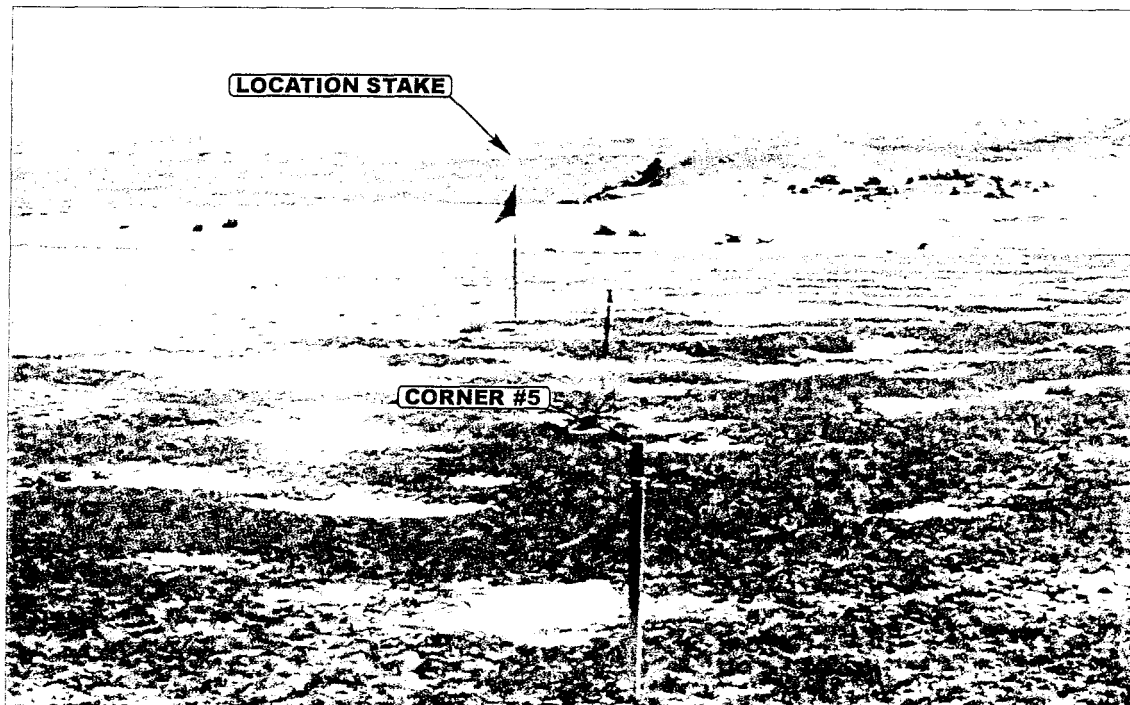


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

04 11 05
MONTH DAY YEAR

PHOTO

TAKEN BY: G.S.

DRAWN BY: L.K.

REVISED: 00-00-00

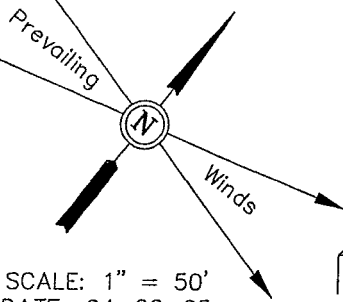
EOG RESOURCES, INC.

FIGURE #1

LOCATION LAYOUT FOR

CWU #669-1
SECTION 1, T9S, R22E, S.L.B.&M.
717' FNL 2180' FWL

SCALE: 1" = 50'
DATE: 04-20-05
Drawn By: P.M.



Leave Stream Channel
F-2.3' El. 12.3'
Existing Drainage
65'
175'
Round Corners as needed
DATA

F-0.4' El. 14.2'

Sta. 3+25

Top Bank of Wash
Do Not Disturb

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.

Pit Topsoil
FLARE PIT
20' WIDE BENCH
46'
29'
C-0.4' El. 15.0'

El. 14.6'
C-12.0' (btm. pit)

C-0.6' El. 15.2'

DOG HOUSE

Sta. 1+50

C-2.4' El. 17.0'

15' WIDE BENCH/DIKE
14.7'
Total Pit Capacity
W/2' Of Freeboard
= 12,250 Bbls. ±
Total Pit Volume
= 3,320 Cu. Yds.
RESERVE PITS
(12' Deep)
SLOPE = 1-1/2 : 1
Sta. 0+18

CATWALK
PIPE RACKS
RIG
WATER
PUMP
MUD SHED
HOPPER
POWER
TOOLS
FUEL

TRAILER
TOILET
FUEL
STORAGE TANK

Sta. 0+00

20' WIDE DIKE
El. 13.0'
C-10.4' (btm. pit)
F-1.2' El. 13.4'

F-1.2' El. 13.4'

Approx. Toe of Fill Slope

F-0.9' El. 13.7'

NOTES:

Elev. Ungraded Ground At Loc. Stake = 4815.2'

FINISHED GRADE ELEV. AT LOC. STAKE = 4814.6'

Proposed Access Road

EOG RESOURCES, INC.

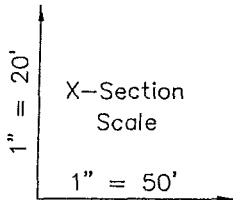
FIGURE #2

TYPICAL CROSS SECTIONS FOR

CWU #669-1

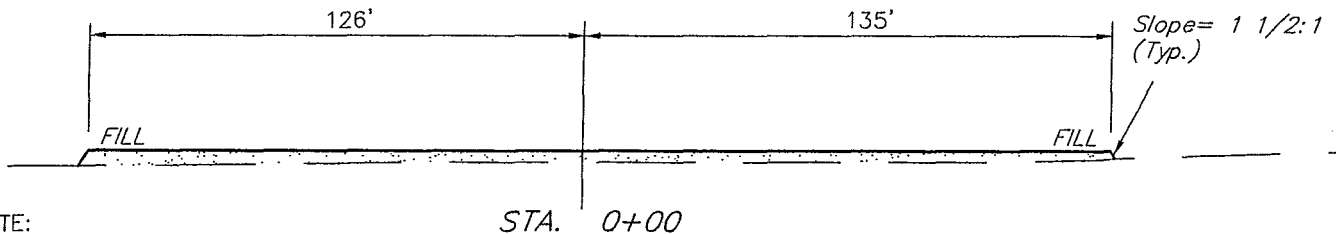
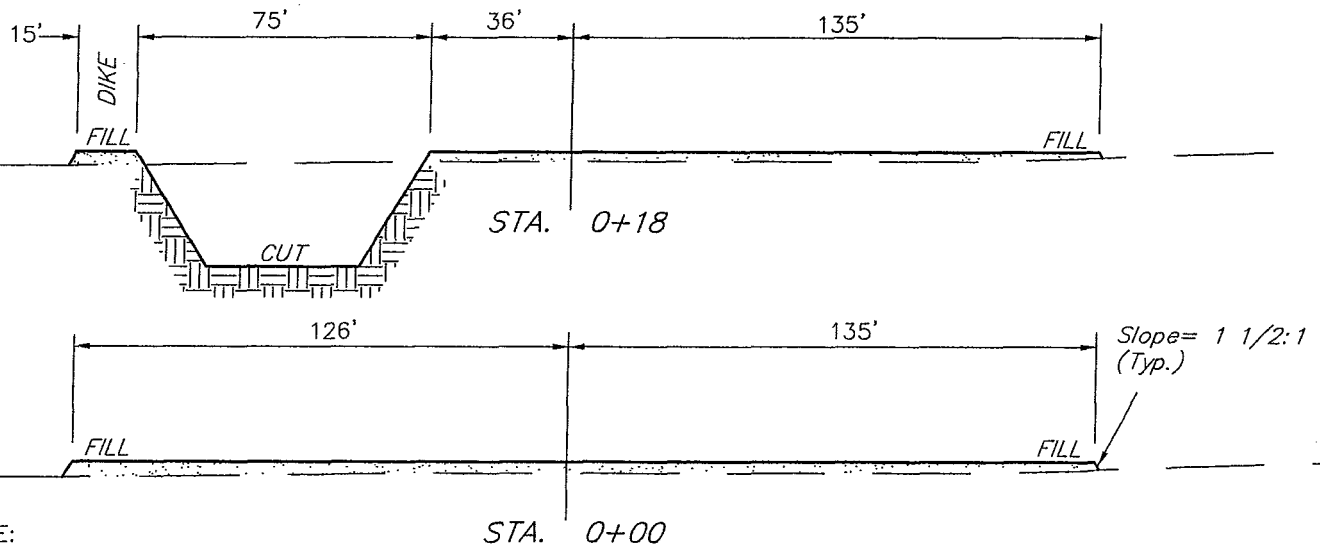
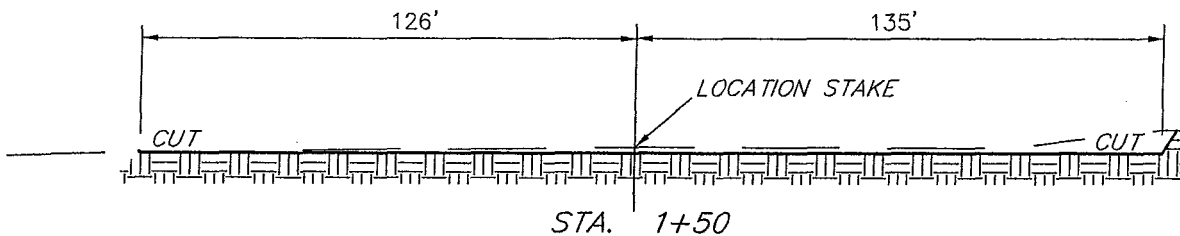
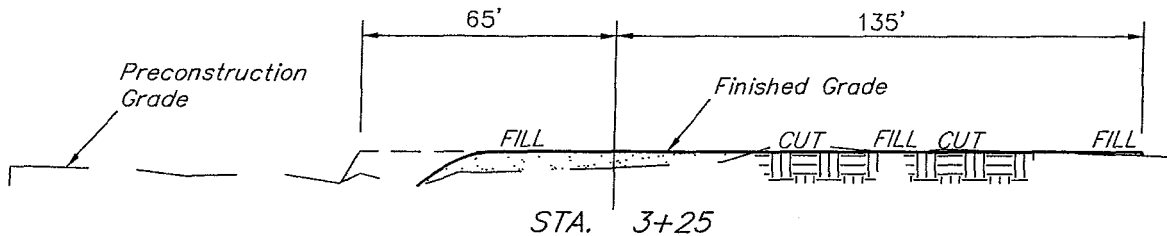
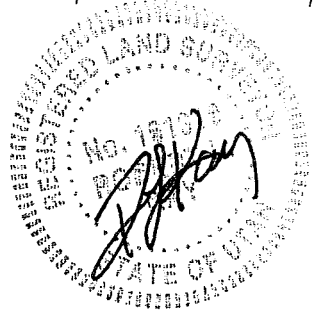
SECTION 1, T9S, R22E, S.L.B.&M.

717' FNL 2180' FWL



DATE: 04-20-05

Drawn By: P.M.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:

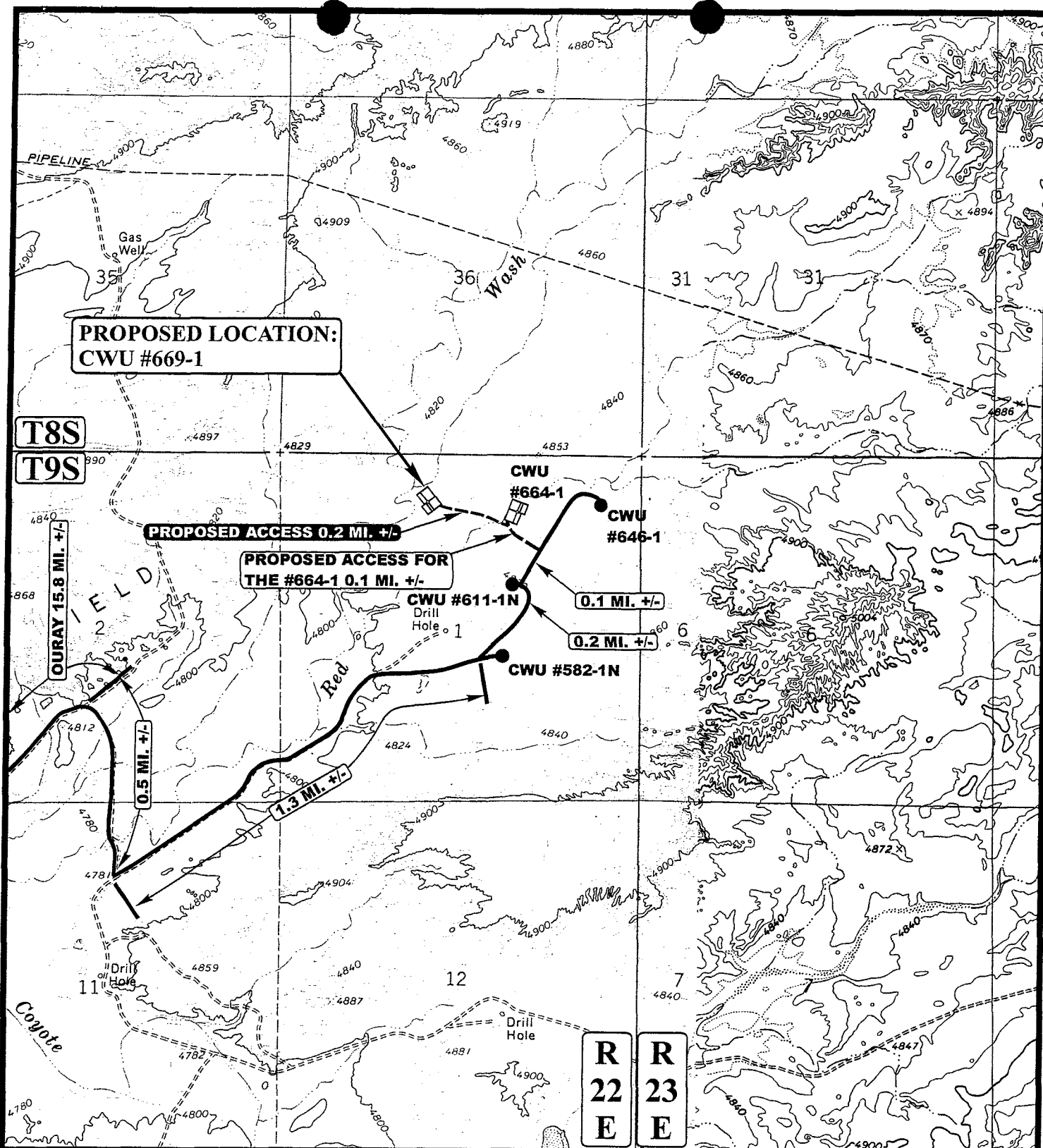
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,500 Cu. Yds.
Remaining Location	= 3,590 Cu. Yds.
TOTAL CUT	= 5,090 CU.YDS.
FILL	= 1,930 CU.YDS.

EXCESS MATERIAL	= 3,160 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,160 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

----- PROPOSED ACCESS ROAD
 _____ EXISTING ROAD

N

EOG RESOURCES, INC.

CWU #669-1
 SECTION 1, T9S, R22E, S.L.B.&M.
 717' FNL 2180' FWL



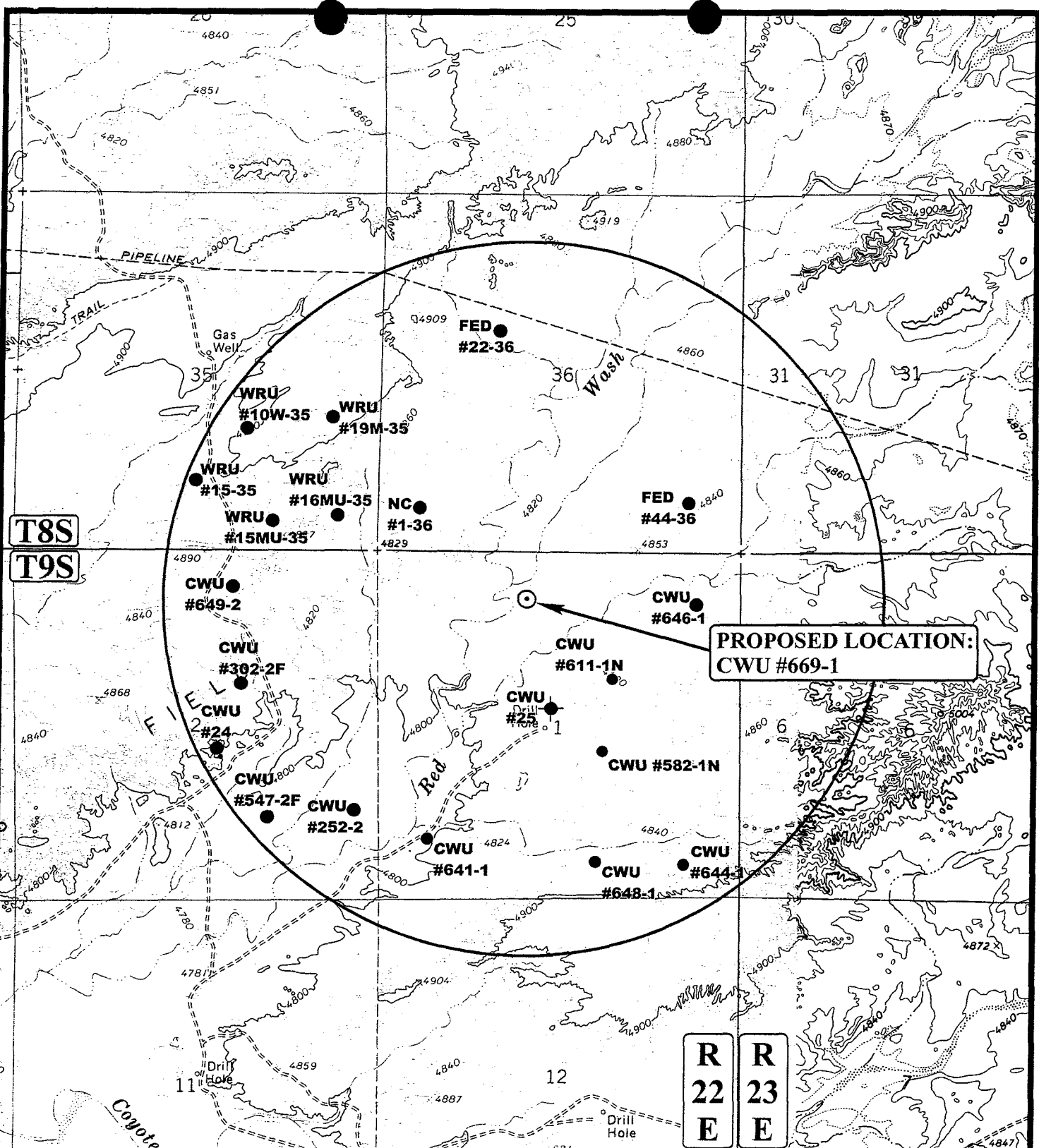
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
 MAP

04 11 05
 MONTH DAY YEAR

B
 TOPO

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



EOG RESOURCES, INC.

CWU #669-1
SECTION 1, T9S, R22E, S.L.B.&M.
717' FNL 2180' FWL



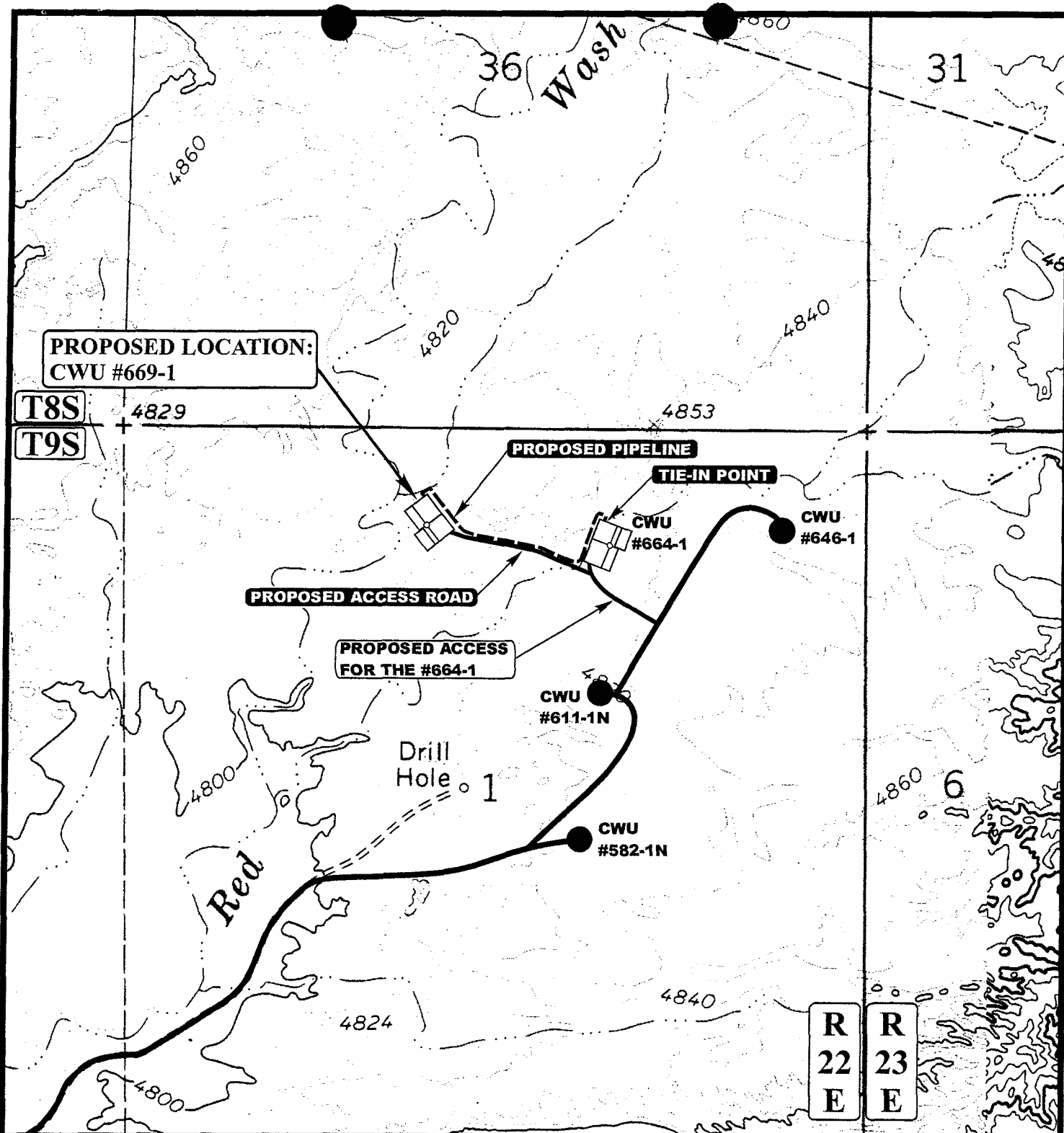
Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

04 11 05
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1816' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- - - EXISTING PIPELINE
- - - PROPOSED PIPELINE



EOG RESOURCES, INC.

CWU #669-1

SECTION 1, T9S, R22E, S.L.B.&M.

717' FNL 2180' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

04 11 05
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00



004

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/27/2005

API NO. ASSIGNED: 43-047-36763

WELL NAME: CWU 669-1

OPERATOR: EOG RESOURCES INC (N9550)

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NENW 01 090S 220E

SURFACE: 0717 FNL 2180 FWL

BOTTOM: 0717 FNL 2180 FWL

UINTAH

NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-01201

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.07012

LONGITUDE: -109.3894

RECEIVED AND/OR REVIEWED:

- ☒ Plat
- ☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM-2308)
- ☒ Potash (Y/N)
- ☒ Oil Shale 190-5 (B) or 190-3 or 190-13
- ☒ Water Permit
(No. 49-1501)
- ☒ RDCC Review (Y/N)
(Date:)
- ☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

R649-2-3.

Unit CHAPITA WELLS

R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 179-8

Eff Date: 8-10-1999

Siting: Suspends General Siting

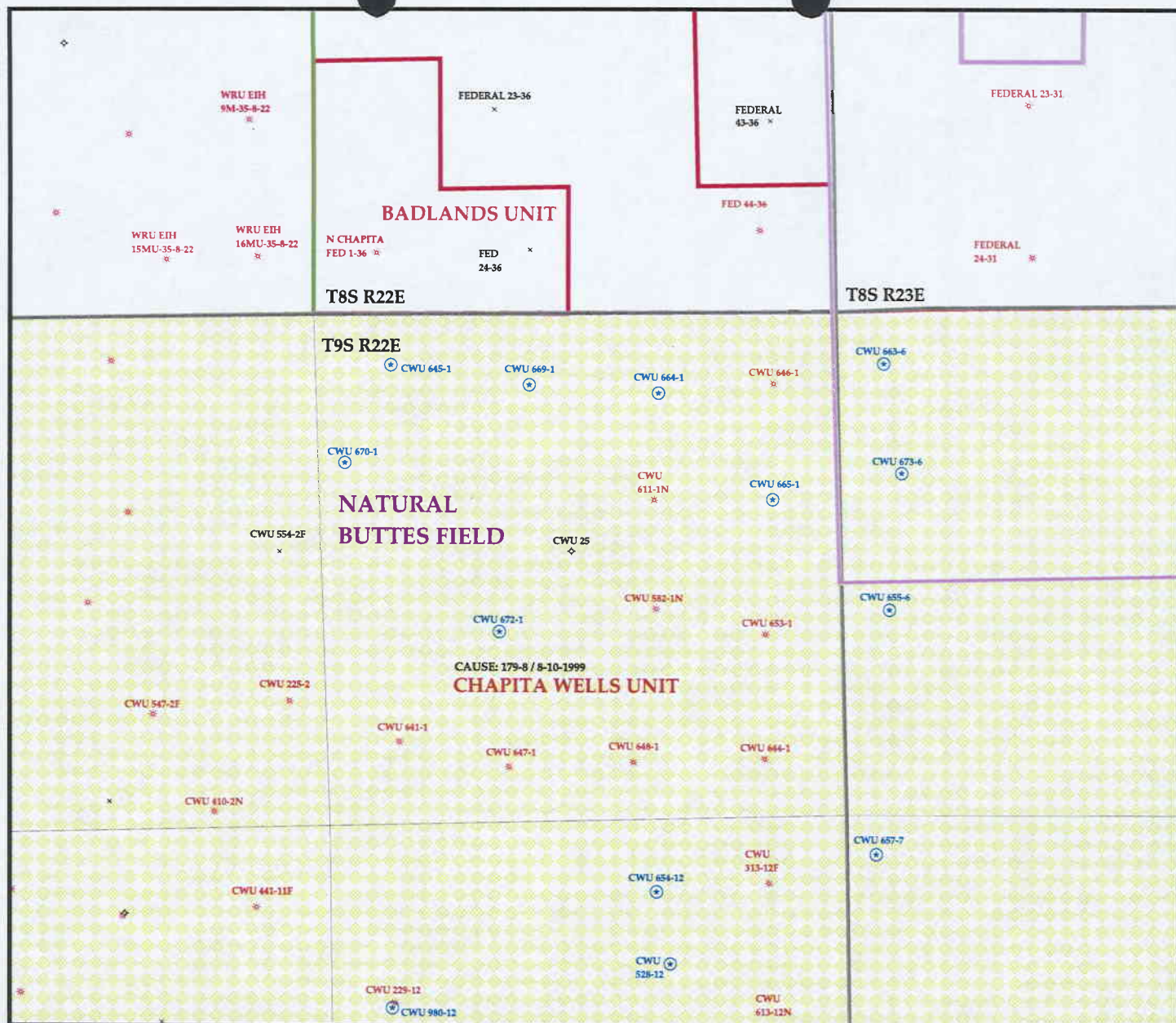
R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

1- Federal Approval

2- Oil Shale



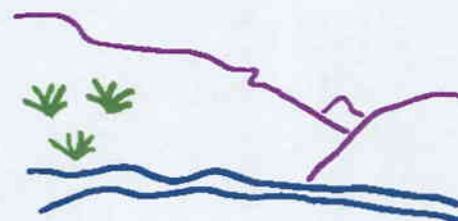
OPERATOR: EOG RESOURCES INC (N9550)

SEC: 1 T. 9S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999



Utah Oil Gas and Mining

Wells	Units.shp	Fields.shp
✱ GAS INJECTION	EXPLORATORY	ABANDONED
✱ GAS STORAGE	GAS STORAGE	ACTIVE
✱ LOCATION ABANDONED	NF PP OIL	COMBINED
⊕ NEW LOCATION	NF SECONDARY	INACTIVE
✱ PLUGGED & ABANDONED	PENDING	PROPOSED
✱ PRODUCING GAS	PI OIL	STORAGE
● PRODUCING OIL	PP GAS	TERMINATED
✱ SHUT-IN GAS	PP GEOTHERML	
✱ SHUT-IN OIL	PP OIL	
✱ TEMP. ABANDONED	SECONDARY	
○ TEST WELL	TERMINATED	
△ WATER INJECTION		
◆ WATER SUPPLY		
✱ WATER DISPOSAL		



PREPARED BY: DIANA WHITNEY
DATE: 6-JUNE-2005

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

June 8, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2005 Plan of Development Chapita Wells Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ North Horn)

43-047-36756 CWU 673-6 Sec 6 T09S R23E 1650 FNL 0640 FWL

(Proposed PZ Price River)

43-047-36757	CWU 1048-18	Sec 18	T09S R23E	0722	FSL 1963	FWL
43-047-36758	CWU 1049-18	Sec 18	T09S R23E	0586	FSL 2112	FEL
43-047-36759	CWU 305-18	Sec 18	T09S R23E	1650	FSL 0750	FWL
43-047-36755	CWU 1051-22	Sec 22	T09S R23E	2169	FNL 0807	FWL
43-047-36761	CWU 967-34	Sec 34	T09S R23E	0700	FSL 1893	FWL
43-047-36760	CWU 951-30	Sec 30	T09S R23E	0747	FSL 2177	FEL
43-047-36762	CWU 672-1	Sec 1	T09S R22E	1966	FSL 1807	FWL
43-047-36763	CWU 669-1	Sec 1	T09S R22E	0717	FNL 2180	FWL
43-047-36764	CWU 670-1	Sec 1	T09S R22E	1500	FNL 0285	FWL

Pursuant to telephone conversation between Debbie Spears, EOG, and myself production from North Horn formation will be allocated to the Wasatch Participating Area. This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

June 9, 2005

EOG Resources, Inc.
P O Box 1815
Vernal, UT 84078

Re: Chapita Wells Unit 669-1 Well, 717' FNL, 2180' FWL, NE NW, Sec. 1,
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36763.

Sincerely,

Gil Hunt
Acting Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 669-1
API Number: 43-047-36763
Lease: U-01201

Location: NE NW Sec. 1 T. 9 South R. 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER
1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator
EOG RESOURCES, INC.

3a. Address **P.O. BOX 1815
VERNAL, UT 84078**

3b. Phone No. (Include area code)
(435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface **717' FNL, 2180' FWL**
At proposed prod. Zone

NE/NW (Lot 3)

5. Lease Serial No.

U-01201

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

CHAPITA WELLS UNIT

8. Lease Name and Well No.

CHAPITA WELLS UNIT 669-1

9. API Well No.

43-047-36763

10. Field and Pool, or Exploratory

NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area

**SEC. 1, T9S, R22E,
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office*

18.2 MILES SOUTHEAST OF OURAY, UTAH

12. County or Parish

UINTAH

13. State

UTAH

15. Distance from proposed*

location to nearest
property or lease line, ft. **717'**
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease

309

17. Spacing Unit dedicated to this well

18. Distance from proposed location*

to nearest well, drilling, completed,
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth

7700'

20. BLM/BIA Bond No. on file

NM-2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

4814.6 FEET GRADED GROUND

22. Approximate date work will start*

UPON APPROVAL

23. Estimated duration

45 DAYS

24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

Ed Trotter

Name (Printed/Typed)

Ed Trotter

Date

May 24, 2005

Title

Agent

Approved by (Signature)

Thomas B. Cleavage

Name (Printed/Typed)

Office

Date

10/13/2005

Title

**Assistant Field Manager
Mineral Resources**

RECEIVED

OCT 28 2005

DIV. OF OIL, GAS & MINING

Application approval does not warrant or certify that the applicant holds legal or equitable title to these rights, or the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

40061M

CONDITIONS OF APPROVAL ATTACHED

NOTICE OF APPROVAL

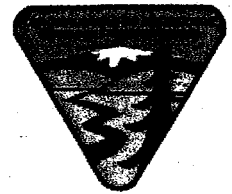


UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO
DRILL**

Company: **EOG Resources, Inc.**
Well No: **CWU 669-1**

Location: **NENW Sec 1, T9S, R22E**
Lease No: **UTU-01201**

Petroleum Engineer: Matt Baker
Petroleum Engineer: Michael Lee
Supervisory Petroleum Technician:
Jamie Sparger

Office: 435-781-4490	Cell: 435-828-4470
Office: 435-781-4432	Cell: 435-828-7875
Office: 435-781-4502	Cell: 435-828-3913

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval..

The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations.

Downhole Conditions of Approval

All provisions outlined in Onshore Oil and Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. Top of cement for the production casing shall be at a minimum of 400' to protect usable water sources.
2. CBL shall be run from the production casing shoe to the surface casing shoe.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.

All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil and Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.

BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil and Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

5. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.

6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.
7. Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR ' 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil and Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR ' 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report should be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Worland Field Office.

Please submit an electronic copy of all logs run on this well in LAS format to UT_VN_Wellogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF other).

9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

10. Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
11. A schematic facilities diagram as required by Onshore Oil and Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil and Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil and Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location (1/4, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - g. Unit agreement and / or participating area name and number, if applicable.
 - h. Communitization agreement number, if applicable.
13. Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production

15. Pursuant to Onshore Oil and Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method should be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

1. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.

2. As a Best Management Practice (BMP), the pipeline shall be buried within the identified construction width of an access corridor that contains the access road and pipelines. Exceptions to this BMP may be granted where laterally extensive, hard indurated bedrock, such as sandstone, is at or within 2 feet of the surface; and, soil types with a poor history of successful rehabilitation).

3. Prior to abandonment of a buried pipeline, the operator will obtain authorization from the appropriate regulatory agency. BLM will determine whether the pipeline and all above ground pipeline facilities shall be removed and unsalvageable materials disposed of at approved sites or abandoned in place. Reshaping and revegetation of disturbed land areas will be completed where necessary.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

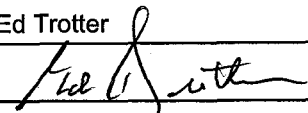
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: U-01201
2. NAME OF OPERATOR: EOG RESOURCES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. BOX 1910 CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT
PHONE NUMBER: (435) 789-4120		8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 669-1
4. LOCATION OF WELL FOOTAGES AT SURFACE: 717' FNL, 2180' FWL		9. API NUMBER: 4304736763
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: LOT3 1 9S 22E S		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. requests authorization to change the drilling plan on the above-described well. These changes would include changes in the Casing program, float equipment, mud, and cement program. The modified drilling program is attached.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

NAME (PLEASE PRINT) <u>Ed Trotter</u>	TITLE <u>Agent</u>
SIGNATURE <u></u>	DATE <u>11/3/2005</u>

(This space for State use only)

RECEIVED
NOV 09 2005
DIV. OF OIL, GAS & MINING

EIGHT POINT PLAN
CHAPITA WELLS UNIT 669-1
NE/NW (Lot 3), SEC. 1, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River	2,028'
C-Zone	2,338'
Mahogany Oil Shale Bed	2,688'
Middle Carb Bed	3,513'
Castle Peak MBR	4,613'
Uteland Butte MBR	4,843'
Wasatch	5,032'
Chapita Wells	5,657'
Buck Canyon	6,326'
North Horn	6,884'
Island	7,339'
KMV Price River	7,517'

Estimated TD: **7,700' or 200'± below Island top**

Anticipated BHP: 3,800 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

	<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
Conductor:	17 1/2"	0' – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.
All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

EIGHT POINT PLAN
CHAPITA WELLS UNIT 669-1
NE/NW (Lot 3), SEC. 1, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

Float Equipment: (Cont'd)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.0 – 9.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

EIGHT POINT PLAN
CHAPITA WELLS UNIT 669-1
NE/NW (Lot 3), SEC. 1, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Top Out: As necessary with Class "G" cement with 2% CaCl₂, 1/4#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: 154 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: 550 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

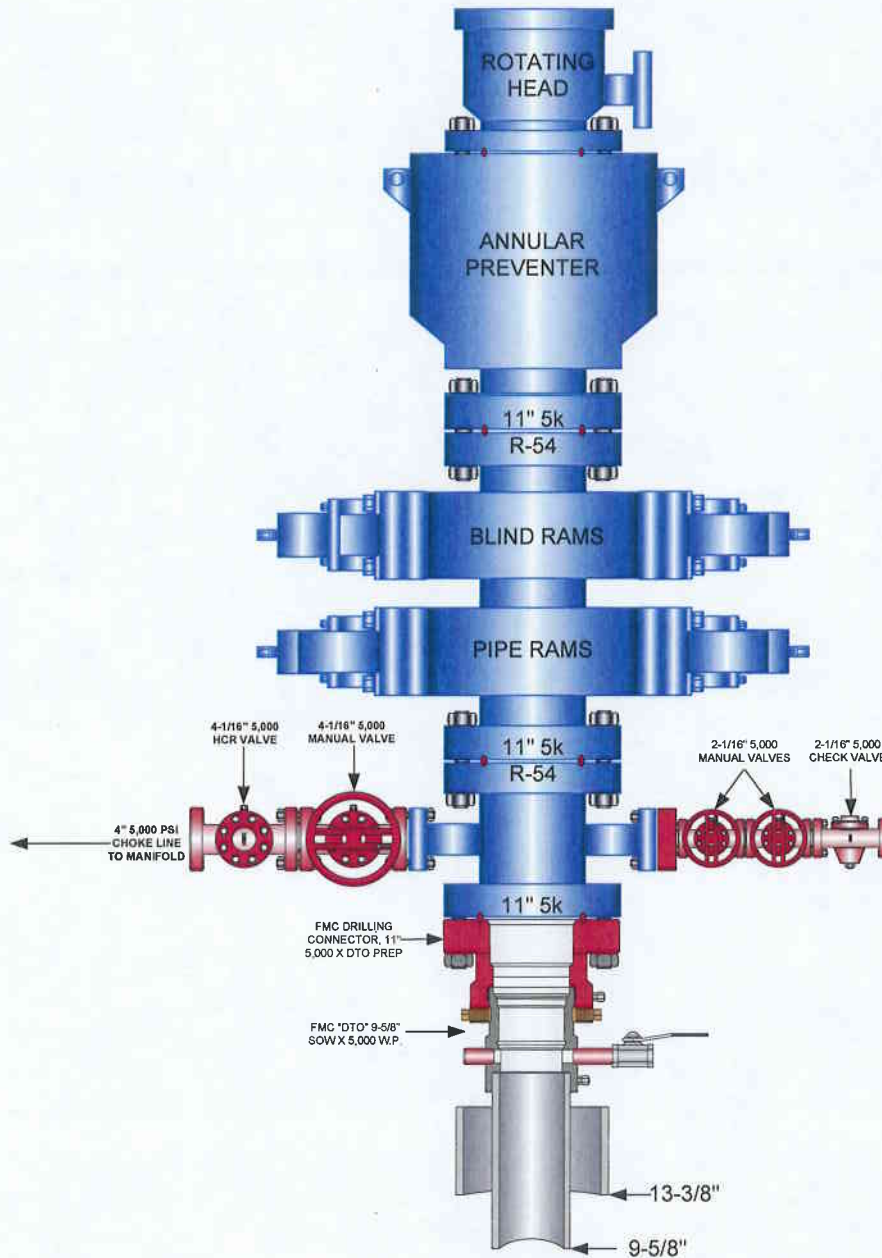
12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

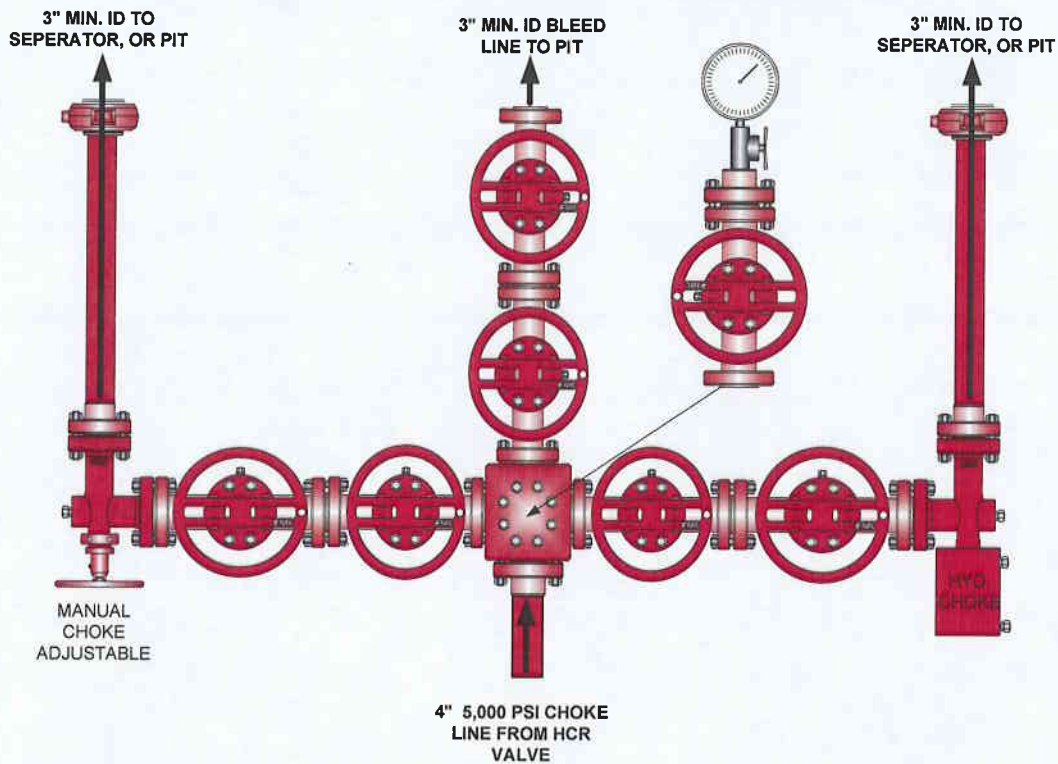
**EOG RESOURCES 11" 5,000 PSI W.P. BOP
CONFIGURATION**

PAGE 1 OF 2



**EOG RESOURCES CHOKE MANIFOLD CONFIGURATION
W/ 5,000 PSI WP VALVES**

PAGE 2 OF 2



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
4. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	5. LEASE DESIGNATION AND SERIAL NUMBER: U-01201
2. NAME OF OPERATOR: EOG RESOURCES, INC.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. BOX 1815 CITY VERNAL STATE UT ZIP 84078	7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT
PHONE NUMBER: (435) 789-0790	8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 669-01
4. LOCATION OF WELL FOOTAGES AT SURFACE: 717 FNL 2180 FWL 40.070122 LAT 109.390111 LON	9. API NUMBER: 43-047-36763
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 1 9S 22E S.L.B. & M	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION REQUEST</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 06-05-09

By: [Signature]

NAME (PLEASE PRINT) Kaylene R. Gardner

TITLE Regulatory Assistant

SIGNATURE [Signature]

DATE 5/31/2006

(This space for State use only)

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-36763
Well Name: CHAPITA WELLS UNIT 669-01
Location: 717 FNL 2180 FWL (NENW), SECTION 1, T9S, R22E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 6/9/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

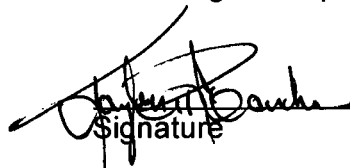
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐



Signature

5/31/2006

Date

Title: REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

JUN 02 2006

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 669-1

Api No: 43-047-36763 Lease Type: FEDERAL

Section 01 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # 1

SPUDDED:

Date 10/12/06

Time 11:00 AM

How DRY

Drilling will Commence: _____

Reported by DALL COOK

Telephone # (435) 828-3630

Date 10/12/06 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG Resources, Inc. Operator Account Number: N 9550
Address: 600 17th St., Suite 1000N
city Denver
state CO zip 80202 Phone Number: (303) 824-5526

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36828	Chapita Wells Unit 675-6		NESW	6	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15707	10/10/2006		10/19/06		
Comments: <u>MURD</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36763	Chapita Wells Unit 669-1		NENW	1	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15708	10/12/2006		10/19/06		
Comments: <u>MURD</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36978	Chapita Wells Unit 1035-19		SWNW	19	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15709	10/14/2006		10/19/06		
Comments: <u>MURD</u>							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mary A. Maestas

Name (Please Print)

Signature
Regulatory Assistant

10/18/2006

Title

Date

RECEIVED

OCT 18 2006

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**717' FNL & 2180' FWL (NENW)
Sec. 1-T9S-R22E 40.070122 LAT 109.390111 LON**

5. Lease Serial No.

U-01201

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Chapita Wells Unit

8. Well Name and No.

Chapita Wells Unit 669-1

9. API Well No.

43-047-36763

10. Field and Pool, or Exploratory Area

Natural Buttes/Wasatch

11. County or Parish, State

Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Change tank size
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests authorization to set two (2) 400 bbl vertical condensate tanks and attaching piping on the referenced location.

Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title **Regulatory Assistant**

Signature

Mary A. Maestas

Date

10/16/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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Title

Date

Office

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(Instructions on page 2)

RECEIVED

OCT 19 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**717' FNL & 2180' FWL (NENW)
Sec. 1-T9S-R22E 40.070122 LAT 109.390111 LON**

5. Lease Serial No.

U-01201

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Chapita Wells Unit

8. Well Name and No.

Chapita Wells Unit 669-1

9. API Well No.

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Natural Buttes/Wasatch

11. County or Parish, State

Uintah County, Utah

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<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

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EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

- 1. Natural Buttes Unit 21-20B SWD**
- 2. Chapita Wells Unit 550-30N SWD**
- 3. Ace Disposal**
- 4. RN Industries**

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title **Regulatory Assistant**

Signature

Mary A. Maestas

Date

10/16/06

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OMB No. 1004-0137
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☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EOG Resources, Inc.

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-824-5526

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**717' FNL & 2180' FWL (NENW)
Sec. 1-T9S-R22E 40.070122 LAT 109.390111 LON**

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U-01201

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Chapita Wells Unit

8. Well Name and No.

Chapita Wells Unit 669-1

9. API Well No.

43-047-36763

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Natural Buttes/Wasatch

11. County or Parish, State

Uintah County, Utah

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<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Buried pipeline exception
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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EOG Resources, Inc. requests a variance to the requirement for a buried pipeline for the referenced well.

See attached sheet.

**Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only**

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title **Regulatory Assistant**

Signature

Mary A. Maestas

Date

10/16/06

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(Instructions on page 2)

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OCT 19 2006

DIV. OF OIL, GAS & MINING

Request for Exception to Buried Pipeline Requirement
Chapita Wells Unit 669-1
NE/NW, Section 1, T9S, R22E
Lease Number U-01201

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately 2.08 acres.
2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SEP 19 2006

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**717' FNL & 2180' FWL (NE/NW)
Sec. 1-T9S-R22E 40.070122 LAT 109.390111 LON**

5. Lease Serial No.

U-01201

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Chapita Wells Unit

8. Well Name and No.

Chapita Wells Unit 669-1

9. API Well No.

43-047-36763

10. Field and Pool, or Exploratory Area

Natural Buttes/Wasatch

11. County or Parish, State

Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other APD Renewal
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests the APD for the referenced well originally approved 10/13/2005 be extended for one year.

RECEIVED

OCT 23 2006

CONDITIONS OF APPROVAL ATTACHED

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title **Regulatory Assistant**

Signature

Mary A. Maestas

Date

09/18/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Mark Baker

Petroleum Engineer

OCT 05 2006

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Office

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(Instructions on page 2)

UDOGM

CONDITIONS OF APPROVAL

EOG Resources Inc.

Notice of Intent APD Extension

Lease: UTU-01201
Well: CWU 669-1
Location: NENW Sec 1-T9S-R22E

An extension for the referenced APD is granted with the following conditions:

1. The extension and APD shall expire on 10/13/07
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Matt Baker of this office at (435) 781-4490

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS
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1. Type of Well ☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
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4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**717' FNL & 2180' FWL (NENW)
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Chapita Wells Unit

8. Well Name and No.

Chapita Wells Unit 669-1

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43-047-36763

10. Field and Pool, or Exploratory Area

Natural Buttes/Wasatch

11. County or Parish, State

Uintah County, Utah

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<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Well spud
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
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The referenced well spud on 10/12/06.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title **Regulatory Assistant**

Signature

Mary A. Maestas

Date

10/16/06

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OCT 19 2006

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SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well ☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
1060 East Highway 40, Vernal UT 84078

3b. Phone No. (include area code)
435-781-9111

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**717' FNL & 2180' FWL (NENW)
Sec. 1-T9S-R22E 40.070122 LAT 109.390111 LON**

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<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Drilling Operations
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
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The referenced well spud on 10/12/06, with drilling activities scheduled to begin on or about June 7, 2007.

RECEIVED

JUN 01 2007

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Kaylene R. Gardner

Title **Sr. Regulatory Assistant**

Signature

Date

05/30/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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303-824-5526

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<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Re-complete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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The referenced well was turned to sales on 8/3/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title **Regulatory Assistant**

Signature

Mary A. Maestas

Date

08/08/2007

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(Instructions on page 2)

RECEIVED

AUG 10 2007

DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 08-08-2007

Well Name	CWU 669-01	Well Type	DEVG	Division	DENVER
Field	CHAPITA WELLS UNIT	API #	43-047-36763	Well Class	1SA
County, State	UINTAH, UT	Spud Date	06-10-2007	Class Date	08-03-2007
Tax Credit	N	TVD / MD	7,700/ 7,700	Property #	056046
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	0/ 0
KB / GL Elev	4,827/ 4,815				
Location	Section 1, T9S, R22E, NENW, 717 FNL & 2180 FWL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	55.033	NRI %	46.813

AFE No	303253	AFE Total	1,177,900	DHC / CWC	632,700/ 545,200
Rig Contr	ENSIGN	Rig Name	ENSIGN #81	Start Date	06-24-2005
06-24-2005	Reported By	JERRY BARNES			
Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$0	Completion	\$0	Well Total	\$0
MD	2,530	TVD	2,530	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	LOCATION DATA
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717' FNL & 2180' FWL (NE/NW) (LOT 3)

SECTION 1, T9S, R22E

UINTAH COUNTY, UTAH

LAT: 40.070158, LONG: 109.389428 (NAD 27)

LAT: 40.070122, LONG: 109.390111 (NAD 83)

RIG: ENSIGN #81

OBJECTIVE: 7700' TD, WASATCH

DW/GAS

CHAPITA WELLS PROSPECT

DD&A: NATURAL BUTTES

NATURAL BUTTES FIELD

LEASE: U-01201

ELEVATION: 4815.2' NAT GL, 4814.6' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4815') 4827' KB (12')

EOG WI 55.0327%, NRI 46.813095%

10-02-2006 Reported By TERRY CSERE

Daily Costs: Drilling	\$22,874	Completion	\$0	Daily Total	\$22,874
Cum Costs: Drilling	\$22,874	Completion	\$0	Well Total	\$22,874
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	BEGAN CONSTRUCTION OF LOCATION.

10-03-2006 Reported By TERRY CSERE

Daily Costs: Drilling	\$1,260	Completion	\$0	Daily Total	\$1,260
Cum Costs: Drilling	\$24,134	Completion	\$0	Well Total	\$24,134
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PAD AND PIT COMPLETE.

10-04-2006 Reported By TERRY CSERE

Daily Costs: Drilling	\$1,260	Completion	\$0	Daily Total	\$1,260
Cum Costs: Drilling	\$25,394	Completion	\$0	Well Total	\$25,394
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	BLADING LOCATION FOR BUCKET RIG.

10-05-2006 Reported By TERRY CSERE

Daily Costs: Drilling	\$1,260	Completion	\$0	Daily Total	\$1,260
Cum Costs: Drilling	\$26,654	Completion	\$0	Well Total	\$26,654
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINING PIT

10-06-2006 Reported By TERRY CSERE

Daily Costs: Drilling	\$60	Completion	\$0	Daily Total	\$60
Cum Costs: Drilling	\$26,714	Completion	\$0	Well Total	\$26,714
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PIT LINED. FINAL BLADING.

10-09-2006 Reported By TERRY CSERE

Daily Costs: Drilling	\$1,260	Completion	\$0	Daily Total	\$1,260
Cum Costs: Drilling	\$27,974	Completion	\$0	Well Total	\$27,974
MD	0	TVD	0	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: LOCATION COMPLETE/WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. WO AIR RIG.

10-13-2006 Reported By DALL COOK

Daily Costs: Drilling	\$11,105	Completion	\$0	Daily Total	\$11,105
Cum Costs: Drilling	\$39,079	Completion	\$0	Well Total	\$39,079
MD	40	TVD	40	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 10/12/2006 @ 11:00 AM, SET 40' OF 14" CONDUCTOR, CEMENT TO SURFACE WITH READY MIX. DALL COOK NOTIFIED MICHAEL LEE W/BLM AND CAROL DANILES W/UDOGM OF THE SPUD 10/12/2006 @ 10:15 AM.

02-05-2007 Reported By JERRY BARNES

Daily Costs: Drilling	\$208,823	Completion	\$0	Daily Total	\$208,823
Cum Costs: Drilling	\$247,902	Completion	\$0	Well Total	\$247,902
MD	2,530	TVD	2,530	Progress	0
Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU ROCKY MT DRILLING'S AIR RIG #7 ON 1/15/2007. DRILLED 12-1/4" HOLE TO 2580' GL. ENCOUNTERED WATER @ 2130. RAN 63 JTS (2517.14') OF 9-5/8", 36.0#/FT, J-55. ST&C CASING WITH WEATHERFORD GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2530' KB. RDMO ROCKY MT DRILLING'S AIR RIG.

RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 185 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (41 BBLs) OF PREMIUM CEMENT W/2% CaCl₂ & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CFS. DISPLACED CEMENT W/191.4 BBLs FRESH WATER. BUMPED PLUG W/900# @ 2:11 PM, 1/30/2007. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB #1: MIXED & PUMPED 100 SX (20 BBLs) OF PREMIUM CEMENT W/4% CaCl₂ & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 3 HRS, 5 MINS.

TOP JOB #2: MIXED & PUMPED 150 SX (30 BBLs) OF PREMIUM CEMENT W/4% CaCl₂ & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HAD RETURNS, FELL BACK.

TOP JOB #3: MIXED & PUMPED 200 SX (41 BBLs) OF PREMIUM CEMENT W/4% CaCl₂ & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HAD RETURNS. HOLE FILLED & STOOD FULL.

NOTE: HOLE VOLUME AND SHOE JT = 701.4 SX CEMENT. HOLE TOOK 650 SX TO FILL.

RD BIG 4 CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

RAN SURVEY @ 2380', 2 DEG. TAGGED @ 2395'.

JOHN HELCO NOTIFIED DONNA KINNEY W/VBLM, JAMIE SPARGER W/VBLM AND CADE TAYLOR BLM INSPECTOR OF THE SURFACE CASING & CEMENT JOB ON 1/22/2007 @ 2:00 PM.

06-10-2007 Reported By DAVID FOREMAN

Daily Costs: Drilling	\$58,656	Completion	\$0	Daily Total	\$58,656
Cum Costs: Drilling	\$306,558	Completion	\$0	Well Total	\$306,558
MD	2,530	TVD	2,530	Progress	0
				Days	0
				MW	0.0
				Visc	0.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: DRILLING CEMENT/FLOAT EQUIP.

Start	End	Hrs	Activity Description
06:00	11:30	5.5	CONT. RIG UP,HANG DERRICK BOARD,STRING WINCH LINES, CUT DRLG LINE,SPOOL DRILLING LINE TO DRUM,INSTALL DRILLING LINE ON ANCHOR,MAKE SAFETY CHECK,RAISE DERRICK.
11:30	18:00	6.5	RIG UP FLOOR,NIPPLE UP FLOW LINE,GAS BUSTER,BOP,CHOKE LINE.
18:00	19:00	1.0	CONT.RIG UP, MAKE UP KELLY.
19:00	23:30	4.5	RIG ON DAY WORK @ 19:00 PM 6/9/07.
			RIG UP B & C QUICK TEST & TEST BOP, PIPE RAMS,BLIND RAMS,ALL KILL LINE VALVES,CHOCK LINE & MANIFOLD,HCR,KELLY UPPER & LOWER KELLY VALVES,SAFETY VALVE,DART VALVE,ALL TO 250 PSI LOW & 5000 PSI HIGH ANNULAR 250 PSI LOW 2500 HIGH,SURFACE CSG.1500 PSI GOOD TEST.
23:30	03:00	3.5	SAFETY MEETING W/ WEATHERFORD,RIG UP,P/U BHA + DRILL PIPE. TAG @ 2430,
03:00	03:00	24.0	RIG DOWN L/D MACHINE,& PRE SPUD INSPECTION.
03:00	06:00	3.0	DRILL CEMENT/FLOAT EQUIP.F/ 2430' TO 2530'.+ 10' FORMATION.

MUD WT.8.4

ACCIDENTS NONE REPORTED

FUNCTION TEST CROWN-O-MATIC

SAFETY MEETING: RIG UP : P/U BHA.

CREWS DAYS SHORT ONE MAN

FUEL ON HAND,6030, USED, 452.

FORMATION TOP: GREEN RIVER

MUD LOGGER ON LOCATION F/ 6-9-07 (1) DAY.

MATT GJURGREVICH

06-11-2007 Reported By DAVID FOREMAN

Daily Costs: Drilling	\$36,158	Completion	\$0	Daily Total	\$36,158
Cum Costs: Drilling	\$342,716	Completion	\$0	Well Total	\$342,716
MD	4,253	TVD	4,253	Progress	1,723
				Days	1
				MW	8.8
				Visc	28.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: DRILLING @ 4253

Start	End	Hrs	Activity Description
06:00	07:00	1.0	CIRC.SPOT HY VIS. PILL, FIT TEST 360 PSI = 11.6 M / W GOOD TEST.
07:00	10:00	3.0	DRILLING F/ 2540' TO 2850' ,310' ,ROP,103,WOB,18/20,RPM,55/60,GPM,410,DIFF,365.
10:00	11:00	1.0	SERVICE RIG & TURN FLOW LINE REPAIR LEAKING UNION TO GAS BUSTER.
11:00	15:00	4.0	DRILLING F/ 2850' TO 3235' ,385' ,ROP,96.25,WOB,18/20,RPM,55/60,GPM,410,DIFF,365.
15:00	17:00	2.0	CIRC.OUT GAS & CONDITION MUD F/ 8.7 TO 9.0 FLARE 25 TO 30 FT. BY PASS GAS BUSTER & BUILD BERM AROUND FLARE LINE.
17:00	22:00	5.0	DRILLING F/ 3235' TO 3552' ,317' ,ROP,63.4,WOB,16/18,RPM,50/55,GPM,410,DIFF,365/425.
22:00	22:30	0.5	SURVEY @3473' ,1.10 DEG.
22:30	06:00	7.5	DRILLING F/ 3552' ,TO 4253' 701,ROP,93.4,WOB,18/20,RPM,50/55,GPM,410,DIFF,425/450.

MUD LOSS LAST 24 HRS. 0 BBLs.

MUD WT.9.4

ROT,106,PU,109,SO,101.

DRILLS 2 BOP

ACCIDENTS NONE REPORTED

FUNCTION TEST CROWN-O-MATIC

SAFETY MEETING: MIXING CHEM. WIRE LINE SURVEY

CREWS FULL

FUEL ON HAND,5462, USED 568,

FORMATION TOP: GREEN RIVER, MAHOGANY OIL SHALE,

GAS BG.3500 U, CONN. 5200 U,

MAX GAS 8787 U,

MUD LOGGER ON LOCATION (2) DAYS.

MATT GJURGREVICH

06:00 18.0

SPUD 7 7/8" HOLE @ 06:00 HRS, 6/10/07.

06-12-2007 Reported By DAVID FOREMAN

Daily Costs: Drilling	\$40,760	Completion	\$0	Daily Total	\$40,760
Cum Costs: Drilling	\$383,476	Completion	\$0	Well Total	\$383,476
MD	5.185	TVD	5.185	Progress	932
Days	2	MW	9.6	Visc	32.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0		

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILLING F/ 4253' TO 4541' ,288,ROP,115.2,WOB,18/20,RPM,55/60,GPM,410,DIFF,365/450.
08:30	09:30	1.0	W/L/ SURVEY @4461' 1.31 DEG.
09:30	06:00	20.5	DRILLING F/ 4541' TO 5185' ,644' ,ROP,31.4,WOB,18/20,RPM,40/45,GPM,410,DIFF,90/230.

MUD LOSS LAST 24 HRS. 0 BBLs.

MUD WT.9.8
ROT.121,PU,130,SO,116.
DRILLS 2 BOP

ACCIDENTS NONE REPORTED
FUNCTION TEST CROWN-O-MATIC
SAFETY MEETING: WELL CONTROL / WALKWAY SAFETY
CREWS FULL

FUEL ON HAND,4567, USED 895,
FORMATION TOP: WASATCH,
GAS BG.40 U, CONN. 125 U,
MAX GAS 5134 U, @4359'

MUD LOGGER ON LOCATION F/ 6-9-07 (3) DAYS.

MATT GJURGREVICH

06-13-2007 Reported By TOM HARKINS

Daily Costs: Drilling	\$56,343	Completion	\$0	Daily Total	\$56,343
Cum Costs: Drilling	\$439,820	Completion	\$0	Well Total	\$439,820
MD	5.800	TVD	5.800	Progress	531
				Days	3
				MW	9.8
				Visc	36.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILLING F/ 5185' TO 5269',84',ROP,28',WOB,20,RPM,40/45,GPM,410,DIFF,90/230.
09:00	14:00	5.0	PUMP SLUG,DROP SURVEY,TRIP OUT F/ BIT CHG.
14:00	14:30	0.5	BREAK BIT,LAY DOWN MOTOR + REAMERS,P/U NEW MOTOR, M/U BIT.
14:30	18:00	3.5	TRIP IN W/BHA TO SHOE BREAK CIRC.
18:00	18:30	0.5	WASH/REAM 60' TO BTM 5209 TO 5269 NO FILL
18:30	06:00	11.5	DRILL 5269 TO 5800 = 531 @ 46.2 FPH WTOB 15-18 RPM 40-55 GPM 435 MMRPM 69 DIFF 100-250

MUD LOSS LAST 24 HRS = 0 MDWT 10.3 VIS 34 , CREWS FULL , NO ACCIDENTS REPORTED , SAFTY MEETING , LOTO, TRIPPING PIPE , COM CHECK X 2 , FUEL ON HAND 7893

FORMATION TOPS CHAPITA WELLS = 5635

GAS BG.25-45u CONN 200-300u

HIGH GAS 117u @ 5304

MUD LOGGER ON LOCATION (4) DAYS MATT GJURGREVICH

06-14-2007 Reported By TOM HARKINS/ JOHN JULIAN

Daily Costs: Drilling	\$47,419	Completion	\$0	Daily Total	\$47,419
Cum Costs: Drilling	\$487,239	Completion	\$0	Well Total	\$487,239
MD	6,740	TVD	6,740	Progress	962
				Days	4
				MW	0.0
				Visc	0.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
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06:00	07:30	1.5	DRILL 5800 TO 5832 = 32 @ 21.4 FPH WTOB 14-18 RPM 45-50 DIFF 100-250
07:30	08:00	0.5	SERVICE RIG CHECK COM DUMP SAND TRAP
08:00	18:00	10.0	DRILL 5832- 6290 WOB 16-18. RPM 45-40, PP 1880, ROP 45.8
18:00	06:00	12.0	DRILL 6290- 6740, WOB 18-22, RPM 38, SPP 2000, ROP 37.5, MUD WT 10.7, VIS 34

NO ACCIDENTS
 FULL CREWS
 SFTY MTG JSS MN-06, RO-85
 FUEL ON HAND 6495 USED 1398
 COM CK X2

BG GAS 50-150
 CONN GAS 450-600
 HIGH FORM GAS 4148 @ 6129
 LITH SS-40%, SH- 40% RED SHALE 20%
 SHOWS
 6118- 6151 41/494/87 NO FLARE 10.4/10.4
 6317-6339 90/3510/110 NO FLARE 10.5/10.6

06-15-2007 Reported By JOHN JULIAN

Daily Costs: Drilling	\$40,166	Completion	\$0	Daily Total	\$40,166
Cum Costs: Drilling	\$527,405	Completion	\$0	Well Total	\$527,405

MD	7.362	TVD	7.362	Progress	622	Days	5	MW	0.0	Visc	0.0
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Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
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Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	16:30	10.5	DRILL 6740-7011, WOB 16-20, RPM 40-55, SPP 1900 ROP 25.38, MUD WT 10.6, VIS 34.
16:30	17:00	0.5	SERVICE RIG FUNCTION PIPE RAMS.
17:00	18:00	1.0	DRILL 7011-7043, WOB 16-18, RPM 45-55, SPP 1925, ROP 32FPH, MUD WT 10.7, VIS 33.
18:00	06:00	12.0	DRILL 7043-7362, WOB 18-22, RPM 45-55, SPP 2100, ROP 26.58, MUD WT 10.9, VIS 34.

NO ACCIDENTS,
 FULL CREWS
 COMX2
 SFTY MTG JSA MN-41, RO-76
 FUEL ON HAND 5828, USED 1117

BG GAS 35-150
 CONN GAS 240-1200
 HIGH FORM GAS 1883@7288

LITH 60%SH, 30%SS, 10% RED SHALE

SHOWS 6984-6990 NO FLARE 64/984/64 MW 10.7,

7278-7292 NO FLARE 41/1883/39 MW 10.9

MUD LOGGER MATT GJURGEVICH ON LOC 6 DAYS

06-16-2007 Reported By JOHN JULIAN

Daily Costs: Drilling \$92,436 Completion \$0 Daily Total \$92,436

Cum Costs: Drilling \$619,841 Completion \$0 Well Total \$619,841

MD 7,700 TVD 7,700 Progress 338 Days 6 MW 11.1 Visc 40.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: LAY DOWN DP

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILL 7362-7554, WOB 16-21, RPM 35-50, SPP 2175, ROP 22.5, MUD WT 10.7, VIS 37
14:30	15:00	0.5	SERVICE RIG, FUNCTION PIPE RAMS
15:00	18:00	3.0	DRILL 7554-7606, WOB 18-20, RPM 40-50, SPP 2275, ROP 17.33, MUD WT 18-11, VIS 42
18:00	21:30	3.5	DRILL 7606-7700, WOB 20, RPM 45, SPP2280, ROP 26.85, MUD WT, 11.3, VIS 33. REACHED TD @ 21:30 HRS, 6/15/07.
21:30	23:00	1.5	CIRCULATE FOR WIPER TRIP, BUILD AND PUMP PILL, STAND KELLY BACK
23:00	01:00	2.0	WIPER TRIP/SHORT TRIP TO 5200" NO TIGHT SPOTS OR BRIDGES
01:00	02:30	1.5	CIRCULATE BTMS, UP, BUILD PILL, SFTY MTG WITH WEATHERFORD, AND RIG UP WEATHERFORD
02:30	06:00	3.5	PUMP PILL, LDDP

NO ACCIDENTS

FULL CREWS

COM CHK X 2

FUEL ON HAND 4743, USED 1085

NOTIFIED JAMIE SPARGER VERNAL BLM ON RUNNING CSG 1100 6/15/2007

BG GAS 50-120

CONN 500-2180

SHRT TRIP GAS 1391

HIGH FORM GAS 1883

LITH 50% SH, 40% SS, SLTSTN 10%

SHOWS

7228-7543 NO FLARE 90/2782/104 MUD WT 11.1

7639-7647 NO FLARE 173/1394/118 MUD WT 11.2

7672-7685 NO FLARE 123/1406/106 MUD WT 11.3

MUD LOGGER MATT GJURGEVICH ON LOCATION 7 DAYS

06-17-2007 Reported By JOHN JULIAN

Daily Costs: Drilling \$39,945 Completion \$125,798 Daily Total \$165,743

Cum Costs: Drilling \$659,786 Completion \$125,798 Well Total \$785,584

MD 7,700 TVD 7,700 Progress 0 Days 7 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
06:00	10:30	4.5	LAY DOWN DRILL PIPE, BREAK KELLY, PULL ROT HEAD RUBBER, LAY DOWN BHA., PULL WEAR BUSHING
10:30	19:00	8.5	SFTY MTG WITH WEATHERFORD, RIG UP CSG CREW, RUN 182 JTS 11.6, N-80, LTC CSG, SHOE AT 7700', FLOAT COLLAR AT 7654, MARKER JTS @ 7003, AND 4514, CENT AT 5' ABOVE SHOE TOP JT # 2, THEN EVERY 2ND JT TO, 4800'
19:00	20:30	1.5	CIRC CSG, RIG DOWN WEATHERFORD, SFTY MTG WITH SCHLUMBERGER, , RIG UP SCHLUMBERGER
20:30	22:30	2.0	CEMENTING, PRESSURE TEST LINES TO 5000#, PUMP 20 BBL CHEM WASH , 20 BBL WTR , FOLLOWED BY 375 SKS 35:65 POZ G, YEILD 2.26, 12.0# GAL, WITH 12.94 GAL/SK FRESHWTR, 6% D20, 2.0% D174, .2% D46, .75% D112, .3% D13, .2% D65, .25PPS D130, FOLLOWED BY 955 SKS 50:50 POZ-G, YEILD 1.29, 14.1PPG, 5.98 GAL/SK, WITH 2% D20, .2% D65, .2% D167, .1% D46, .1% D13, DISPLACED WITH 116 BBL, WTR WITH 2 GAL/1000 LO64, BUMPED PLUG @ 22:28HRS, WITH 2800#, FLOATS HELD HAD FULL RETURNS THROUGHOUT JOB
22:30	23:30	1.0	RIG DOWN SCHLUMBERGER, LAND DOT HANGER WITH 63000, FULL STRING WT, TESTED TO 5000# FOR 15 MIN, REMOVE LANDING JT
23:30	04:30	5.0	CLEAN MUD TANKS.
04:30	06:00	1.5	RIG DOWN GET READY FOR TRKS, HAVE TRKS MON MORN, NEXT WELL IS CWU 701-02, 3.5 MILE MOVE.

NO ACCIDENTS,
FULL CREWS
SFTY MTG, LDDP, RUN CSG, CMT CSG
COM CK X 2
FUEL ON HAND 4218, USED 525

MUD LOGGER MATT GJURGEVICH ON LOC 7 DAYS 6/10/2007-6/17/2007

TRANSFER TO CWU 701-02, 4218 GAL FUEL,
3 JTS 4.5", 11.6#, N-80 CSG, 126.88', (THRDS OFF)
1 MRKER JT, 11.6#, N-80, 20.54' (THRDS OFF)

06:00 18.0 RIG RELEASE AT 04:30 HRS, 3/17/07.
CASING POINT COST \$709,785

06-20-2007 Reported By SEARLE

Daily Costs: Drilling \$0 Completion \$40,778 Daily Total \$40,778

Cum Costs: Drilling \$659,786 Completion \$166,576 Well Total \$826,362

MD 7,700 TVD 7,700 Progress 0 Days 8 MW 0.0 Visc 0.0

Formation : PBTB : 7655.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
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24.0 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 800'. EST CEMENT TOP @ 1650'. RD SCHLUMBERGER.

07-07-2007 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	\$2,030	Daily Total	\$2,030
Cum Costs: Drilling	\$659,786	Completion	\$168,606	Well Total	\$828,392
MD	7,700	TVD	7,700	Progress	0
				Days	9
				MW	0.0
				Visc	0.0
Formation :	PBTD : 7655.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
10:00	11:00	1.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

07-15-2007 Reported By MCCAMENT

Daily Costs: Drilling	\$0	Completion	\$1,805	Daily Total	\$1,805
Cum Costs: Drilling	\$659,786	Completion	\$170,411	Well Total	\$830,197
MD	7,700	TVD	7,700	Progress	0
				Days	10
				MW	0.0
				Visc	0.0
Formation : WASATCH	PBTD : 7655.0		Perf : 5805'-7531'	PKR Depth : 0.0	

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	20:00	14.0	RU CUTTERS WIRELINE. PERFORATED NORTH HORN FROM 7390'-92', 7412'-13', 7431'-32', 7438'-39', 7447'-48', 7473'-75', 7491'-92', 7518'-19', 7524'-25' & 7530'-31' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4151 WF120 GEL+ PAD, 48924 GAL WF120 & YF116ST+ WITH 124283# 20/40 SAND @ 1-5 PPG. MTP 5256 PSIG. MTR 51.9 BPM. ATP 3865 PSIG. ATR 43.5 BPM. ISIP 2425 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7330'. PERFORATED NORTH HORN FROM 7121'-22', 7130'-31', 7154'-55', 7175'-76', 7202'-03', 7230'-31', 7235'-36', 7255'-56', 7259'-60', 7280'-81', 7287'-88' & 7313'-14' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4164 GAL WF120ST+ PAD, 53174 GAL WF120ST+ & YF116ST+ WITH 138290# 20/40 SAND @ 1-5 PPG. MTP 6208 PSIG. MTR 52.7 BPM. ATP 3995 PSIG. ATR 47.5 BPM. ISIP 2575 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7070'. PERFORATED NORTH HORN FROM 6700'-01', 6715'-16', 6727'-28', 6737'-38', 6775'-76', 6782'-83' (MISFIRE), 6819'-20', 6841'-42', 6864'-65', 6982'-83, 6986'-87', 7020'-21', 7037'-38 & 7055'-56' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4126 GAL WF120ST+ PAD, 43665 GAL WF120ST+ & YF116ST+ WITH 87927# 20/40 SAND @ 1-4 PPG. MTP 5785 PSIG. MTR 50.6 BPM. ATP 3596 PSIG. ATR 46.4 BPM. ISIP 1559 PSIG. RD SCHLUMBERGER

RUWL. SET 10K CFP AT 6670'. PERFORATED Ba FROM 6317'-18', 6322'-24', 6362'-63', 6390'-91', 6403'-04', 6435'-36', 6480'-81', 6516'-17', 6565'-66', 6602'-03' & 6647'-48' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4152 GAL WF120ST+ PAD, 45362 GAL WF120ST+ & YF116ST+ WITH 97747# 20/40 SAND @ 1-5 PPG. MTP 4606 PSIG. MTR 51.1 BPM. ATP 3121 PSIG. ATR 47.3 BPM. ISIP 1569 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6150'. PERFORATED Ca FROM 6122'-34' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3125 GAL WF120ST+ PAD, 37735 GAL WF120ST+ & YF116ST+ WITH 91727# 20/40 5 PPG. MTP 3785 PSIG. MTR 42.0 BPM. ATP 2492 PSIG. ATR 45.6 BPM. ISIP1815 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 5895'. PERFORATED Ca FROM 5805'-13' & 5874'-78' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3110 GAL WF120ST+ PAD, 33374 GAL WF120ST+ & YF116ST+ WITH 88570# 20/40 SAND @ 1-4 PPG. MTP 4308 PSIG. MTR 42.5 BPM. ATP 2923 PSIG. ATR 37.4 BPM. ISIP 1848 PSIG. RD SCHLUMBERGER. SDFN.

07-17-2007 Reported By HOOLEY

Daily Costs: Drilling	\$0	Completion	\$228,374	Daily Total	\$228,374
Cum Costs: Drilling	\$659,786	Completion	\$398,785	Well Total	\$1,058,571
MD	7.700	TVD	7.700	Progress	0
Days	11	MW	0.0	Visc	0.0
Formation : WASATCH	PBTD : 7655.0	Perf : 5411'-7531'	PKR Depth : 0.0		

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
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06:00	09:30	3.5	SICP 850 PSIG. RUWL. SET 10K CFP AT 5540'. PERFORATED Pp FROM 5411'-13', 5462'-67' AND 5503'-08' @ 3 SPF & 120" PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 3108 GAL WF120ST+ PAD, 29610 GAL WF120ST+ & YF116ST+ WITH 72900# 20/40 SAND @ 1-4 PPG. MTP 4773 PSIG. MTR 41.4 BPM. ATP 3511 PSIG. ATR 36.7 BPM. ISIP 2600 PSIG. RD SCHLUMBERGER.
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RUWL. SET 10K CBP @ 5390'. BLED OFF PRESSURE. RDWL. SDFN.

07-19-2007 Reported By POWELL

Daily Costs: Drilling	\$0	Completion	\$10,844	Daily Total	\$10,844
Cum Costs: Drilling	\$659,786	Completion	\$409,629	Well Total	\$1,069,415
MD	7.700	TVD	7.700	Progress	0
Days	12	MW	0.0	Visc	0.0
Formation : WASATCH	PBTD : 7655.0	Perf : 5411'-7531'	PKR Depth : 0.0		

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
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07:00	15:00	8.0	MIRUSU. ND FRAC TREE. NU BOPE. RIH W/BIT & PUMP OFF SUB. CLEANED OUT & DRILLED OUT PLUGS @ 5390', 5540' & 5895. POH ABOVE PERFS. SDFN.
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07-20-2007 Reported By POWELL

Daily Costs: Drilling	\$0	Completion	\$9,865	Daily Total	\$9,865
Cum Costs: Drilling	\$659,786	Completion	\$419,494	Well Total	\$1,079,280
MD	7.700	TVD	7.700	Progress	0
Days	13	MW	0.0	Visc	0.0
Formation : WASATCH	PBTD : 7655.0	Perf : 5411'-7531'	PKR Depth : 0.0		

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
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07:00	17:00	10.0	SICP 450 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6150', 6670', 7070' & 7370'. RIH. CLEANED OUT TO PBTD @ 7654'. LANDED TBG AT 6793' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.
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FLOWED 15 HRS. 24/64" CHOKE. FTP 600 PSIG. CP 425 PSIG. 32 BFPH. RECOVERED 523 BLW.
6564 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'
1 JT 2-3/8" 4.7# N-80 TBG 31.05'
XN NIPPLE 1.10'
218 JTS 2-3/8" 4.7# N-80 TBG 6747.90'
BELOW KB 12.00'
LANDED @ 6793.05' KB

07-21-2007 Reported By POWELL

Daily Costs: Drilling	\$0	Completion	\$2,790	Daily Total	\$2,790
Cum Costs: Drilling	\$659,786	Completion	\$422,284	Well Total	\$1,082,070
MD	7,700	TVD	7,700	Progress	0
Days	14	MW	0.0	Visc	0.0
Formation : WASATCH	PBTD : 7655.0	Perf : 5411'-7531'	PKR Depth : 0.0		

Activity at Report Time: WO FACILITIES

Start	End	Hrs	Activity Description
05:00	05:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 900 PSIG. CP 1325 PPSIG. 15 BFPH. RECOVERED 557 BLW. 6007 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 7/20/07

08-06-2007 Reported By HEATH LEMON

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$659,786	Completion	\$422,284	Well Total	\$1,082,070
MD	7,700	TVD	7,700	Progress	0
Days	15	MW	0.0	Visc	0.0
Formation : WASATCH	PBTD : 7655.0	Perf : 5411'-7531'	PKR Depth : 0.0		

Activity at Report Time: FIRST GAS SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	8/4/07 INITIAL PRODUCTION. FIRST GAS SALES: OPENING PRESSURE: 1500 TP & 2150 CP PSI. TURNED WELL TO QUESTAR SALES AT 2:00 PM, 8/3/07. FLOWED 326 MCFD RATE ON 12/64" POS CHOKE. STATIC 327.

8/5/07 FLOWED 862 MCF, 9 BC & 140 BW IN 24 HRS ON 12/64" CHOKE, TP 1650 PSIG & CP 2000 PSIG.

8/6/07 FLOWED 769 MCF, 30 BC & 52 BW IN 24 HRS ON 12/64" CHOKE, TP 1650 PSIG & CP 2000 PSIG.

08-07-2007 Reported By ALAN WATKINS

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$659,786	Completion	\$422,284	Well Total	\$1,082,070
MD	7,700	TVD	7,700	Progress	0
Days	16	MW	0.0	Visc	0.0
Formation : WASATCH	PBTD : 7655.0	Perf : 5411'-7531'	PKR Depth : 0.0		

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 975 MCF, 25 BC & 60 BW IN 24 HRS ON 12/64" CHOKE. TP 1675 PSIG & CP 1850 PSIG.

5. Lease Serial No.
U-01201

*(See instructions and spaces for additional data on page 2)

AUG 30 2007

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Wasatch	5411	7531		Wasatch Chapita Wells Buck Canyon Mesaverde	5015 5617 6288 7534

32. Additional remarks (include plugging procedure):

See Attached Sheet.

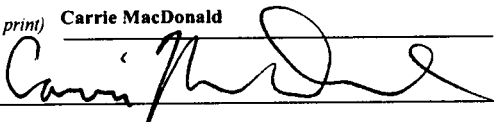
33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) **Carrie MacDonald**Title **Operations Clerk**

Signature


Date **08/27/2007**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

***Chapita Wells Unit 669-1* - ADDITIONAL REMARKS (CONTINUED):**

26. PERFORATION RECORD

6122-6134	3/spf
5805-5878	3/spf
5411-5508	3/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

6122-6134	41,025 GALS GELLED WATER & 91,727# 20/40 SAND
5805-5878	36,649 GALS GELLED WATER & 88,570# 20/40 SAND
5411-5508	32,718 GALS GELLED WATER & 72,900# 20/40 SAND

Perforated the North Horn from 7390-7392', 7412-7413', 7431-7432', 7438-7439', 7447-7448', 7473-7475', 7491-7492', 7518-7519', 7524-7525', 7530-7531' w/ 3 spf.

Perforated the North Horn from 7121-7122', 7130-7131', 7154-7155', 7175-7176', 7202-7203', 7230-7231', 7235-7236', 7255-7256', 7259-7260', 7280-7281', 7287-7288', 7313-7314' w/ 3 spf.

Perforated the Buck Canyon/North Horn from 6700-6701', 6715-6716', 6727-6728', 6737-6738', 6775-6776', 6819-6820', 6841-6842', 6864-6865', 6982-6983', 6986-6987', 7020-7021', 7037-7038', 7055-7056' w/ 2 spf.

Perforated the Buck Canyon from 6317-6318', 6322-6324', 6362-6363', 6390-6391', 6403-6404', 6435-6436', 6480-6481', 6516-6517', 6565-6566', 6602-6603', 6647-6648' w/ 3 spf.

Perforated the Chapita Wells from 6122-6134' w/ 3 spf.

Perforated the Chapita Wells from 5805-5813', 5874-5878' w/ 3 spf.

Perforated the Peter's Point from 5411-5413', 5462-5467', 5503-5508' w/ 3 spf.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 669-01

API number: 43-047-36763

Well Location: QQ NENW Section 1 Township 9S Range 22E County UINTAH

Well operator: EOG Resources, Inc.

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: ROCKY MOUNTAIN DRILLING

Address: PO BOX 1832

city VERNAL state UT zip 84078

Phone: (435) 789-3320

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
2,130	2,140	NO FLOW	NOT KNOWN

Formation tops: 1 _____ 2 _____ 3 _____
 4 _____ 5 _____ 6 _____
 7 _____ 8 _____ 9 _____
 10 _____ 11 _____ 12 _____
 (Top to Bottom)

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Carrie MacDonald

TITLE Operations Clerk

SIGNATURE 

DATE 8/27/2007

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES

Address: P.O. BOX 1815

city VERNAL

state UT

zip 84078

Operator Account Number: N 9550

Phone Number: (435) 781-9111

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36763	CHAPITA WELLS UNIT 669-01		NENW	1	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
D	15708	4905	10/2/2006		10/24/07		
Comments: <i>WSTC</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37840	CHAPITA WELLS UNIT 1022-15		NWNE	15	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
D	99999		8/31/2007		<i>Duplicate</i>		
Comments:							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Kaylene R. Gardner

Name (Please Print)

Signature

Lead Regulatory Assistant

Title

10/18/2007

Date

RECEIVED

OCT 19 2007

DIV. OF OIL, GAS & MINING